

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 101 - HB 90**

January 29, 2015

**SUMMARY OF BILL:** Grants a child support agency, obligor, or obligee the right to compromise and settle a child support arrearage balance owed directly to the obligee if the court approves the compromise. The compromise can only be used to forgive accrued principal and interest on delinquent child support with the approval of the obligee in writing and cannot include any monies owed to the State of Tennessee or any other state.

Eligibility for the compromise and settlement of child support arrearages is based on the obligor's full payment of the child support obligation for a minimum of six months immediately preceding the compromise and settlement. The program shall operate uniformly across the state and shall take into consideration the needs of the child or children and the obligor's ability to pay.

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

Assumptions:

- The provisions of the bill may reduce the amount of child support a private party is owed. Any fiscal impact due to the reduction in child support arrearages will be borne by the private party and will not have an impact on state or local government.
- According to the Department of Human Services (DHS), any increase in expenditures incurred by staff to administer the compromise and settlement program can be accommodated within existing resources.
- A small increase in cases in the court system, which will result in additional state and local government expenditures for processing the cases and additional state and local government revenue from fees, taxes and costs collected. These expenditures and revenue are estimated to be not significant.

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**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink, appearing to read "Jeffrey L. Spalding". The signature is fluid and cursive, with the first name "Jeffrey" and last name "Spalding" clearly distinguishable.

Jeffrey L. Spalding, Executive Director

/kml